

## Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07 L-03  
NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06  
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AMEMBASSY OSLO  
AMEMBASSY PARIS  
AMEMBASSY STOCKHOLM  
USMISSION EC BRUSSELS

C O N F I D E N T I A L LISBON 01442

E.O. 11652: XGDS-4  
TAGS: ELAB, PINT, PO  
SUBJ: SOCIALIST LABOR POLICY

REF: A) LISBON 1249 (NOTAL); B) LISBON A-54 (NOTAL)

SUMMARY: SOCIALIST PARTY (PS) LABOR STRATEGIST PELAGIO  
MADUREIRA CONFIRMED THAT NATIONAL COMMITTEE CONSENSUS FAVORS  
WORKING TOWARD VERTICAL UNIONS WITH LEADERSHIPS ELECTED BY  
PROPORTIONAL REPRESENTATION. PROBLEM OF FORMATION OF A SECOND  
LABOR CONFEDERATION WILL AWAIT FORMATION OF SOLID LABOR BASE.  
AFL-CIO OFFER OF ASSISTANCE HAS BEEN "PUT ON ICE." END  
SUMMARY.

1. PRIME MINISTER'S LABOR ADVISOR PELAGIO MADUREIRA REVIEWED  
WITH LABATT ON FEB 15 THE FEB 12-13 SOCIALIST NATIONAL  
COMMITTEE MEETING ON LABOR POLICY. MADUREIRA CONFIRMED GENERAL  
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TENOR OF JAIME GAMA'S COMMENTS (REF A & B) AND ADDED FOLLOWING  
OBSERVATIONS:

2. OVERALL STRATEGY : LABOR STATE SECRETARY MALDONADO GENELHA  
DOMINATED DISCUSSION AT MEETING. CONSENSUS FAVORED HIS  
PROPOSAL TO WORK FOR ORGANIZATION OF VERTICAL UNIONS WITH  
LEADERSHIPS ELECTED ON BASIS OF PROPORTIONAL REPRESENTATION.

3. WHO SPEAKS FOR PARTY?: LABOR MINISTER CURTO HAD ALSO PREPARED PAPER (OUTLINE FOLLOWS BY AIRGRAM) WHICH SIMILAR IN MOST ASPECTS TO MALDONADO'S. MADUREIRA HAD ATTEMPTED TO ARRANGE THREE WAY CONVERSATION BETWEEN CURTO, MALDONADO, AND HIMSELF FEB 10 PRIOR TO NATIONAL COMMITTEE MEETING IN ORDER TO ESTABLISH COMMON RECOMMENDATIONS ON POLICY. MALDONADO, HOWEVER, AVOIDED PRIOR CONVERSATIONS AND INSISTED UPON PRESENTING HIS OWN PAPER TO NATIONAL COMMITTEE. MADUREIRA RUEFULLY COMMENTED THAT PS LABOR LEADERSHIP WAS SO LOOSELY STRUCTURED THAT OTHER PS LEADERS, MANUEL ALEGRE FOR INSTANCE, WERE ATTEMPTING STEP IN AND PLAY A ROLE.

4. PS LABOR LEADERSHIP: THE NEWLY DESIGNATED LEADERSHIP OF THE PS LABOR DEPARTMENT IS COMPOSED OF CURTO, MALDONADO, AND LISNAVE SHIPYARD WORKER ALFREDO CARVALHO. IN ORDER TO AVOID NECESSITY OF CHOOSING BETWEEN CURTO AND MALDONADO, CARVALHO WAS MADE TITULAR CHAIRMAN. MADUREIRA EXPRESSED RESERVATIONS CONCERNING WORKABILITY OF LEADERSHIP ARRANGEMENT.

5. SECOND CONFEDERATION: ALTHOUGH MADUREIRA STILL BELIEVES THAT CREATION OF SECOND, DEMOCRATIC, LABOR CONFEDERATION IS BOTH NECESSARY AND INEVITABLE, CONSENSUS OF NATIONAL COMMITTEE MEETING WAS THAT PS COULD NOT CREATE AT THIS TIME AN ORGANIZATION CAPABLE OF SERIOUSLY CHALLENGING THE COMMUNIST-DOMINATED CGTP-INTERSINDICAL. CGTP IS GREATLY ASSISTED BY PROPAGANDA APPEAL OF ITS THEME OF LABOR UNITY WHICH POSES MAJOR HANDICAP TO FORMATION OF SECOND CONFEDERATION. PS EMPHASIS ON REORGANIZING EXISTING UNIONS INTO VERTICAL STRUCTURES AND STRENGTHENING

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PARTY'S WORKER CADRE ALLOWS TIME TO CREATE A SOLID LABOR BASE BEFORE TACKLING PROBLEM OF FORMATION OF A SECOND CONFEDERATION.

6. AFL-CIO: PRIME MINISTER SOARES TOLD MADUREIRA TO WRITE TO AFL-CIO REPRESENTATIVE IRVING BROWN REQUESTING THAT THE PROPOSED AFL-CIO ASSISTANCE FOR TRAINING PS AND PSD LABOR LEADERS BE "PUT ON ICE."

7. COOPERATION WITH PSD: MADUREIRA STATED THAT QUESTION OF COOPERATION WITH SOCIAL DEMOCRATIC PARTY (PSD) NOT SPECIFICALLY DISCUSSED AT NATIONAL COMMITTEE MEETING. PS POLICY WAS STILL TO CONSIDER UNION COALITIONS WITH THE PSD ON A CASE BY CASE BASIS. HE FELT IT UNFORTUNATE THAT NO COALITION WAS FORMED FOR FORTHCOMING SOUTHERN BANK WORKERS ELECTIONS. FORMATION OF SEPARATE PSD SLATE MEANT A TIGHT RACE AMONG PS, PSD, AND PCP.

8. INTERNAL DYNAMICS: MADUREIRA SAID THAT MALDONADO AND

CURTO STILL GET ALONG PERSONALLY IN SPITE OF FACT THAT MALDONADO HAS BEEN PUBLICLY TOUTED AS CURTO'S LIKELY SUCCESSOR AS MINISTER. CURTO IS STILL COMPLICATING PARTY'S LABOR POSITION WITH HIS INCONSISTENT, UNCOORDINATED STATEMENTS. WHEN CURTO, HOWEVER, PRESSED SOARES RECENTLY AS TO WHETHER HE WOULD REMAIN MINISTER LONG ENOUGH TO CONTINUE A NUMBER OF PROJECTS UNDERWAY, SOARES ASSURED CURTO THAT HE WOULD STAY ON.

9. COMMENT: IN SPITE OF THE SEEMING CONTINUING DISARRAY OF PS LABOR LEADERSHIP, THE POLICY RECOMMENDATIONS OF MALDONADO, CURTO, AND MADUREIRA ALL AGREE ON THE MAJOR POINTS OF WORKING TOWARD A VERTICAL STRUCTURE WITH LEADERSHIPS ELECTED BY PROPORTIONAL REPRESENTATION. EXACTLY HOW THE PS WILL ATTEMPT TO PUT THIS POLICY INTO PRACTICE REMAINS TO BE DEFINED.  
CARLUCCI

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## Message Attributes

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